

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

5. LEASE DESIGNATION AND SERIAL NO.

UTU-65371

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

NA

7. UNIT AGREEMENT NAME

NA

8. FARM OR LEASE NAME

NA

9. WELL NO.

Fed. H 12-19

10. FIELD OR LEASE NAME

11. Sec., T., R., M., OR BLK

AND SURVEY OR AREA

Sec. 19, T10S, R24E

12. COUNTY OR PARISH

Uintah**Utah**

1a TYPE OF WORK

DRILL**DEEPEN****PLUG BACK**

B TYPE OF WELL

OIL



GAS



SINGLE



ZONE

MULTIPLE ZONE



2. NAME OF OPERATOR

Texakoma Oil and Gas Corporation 972-701-9106

3. ADDRESS OF OPERATORS

One Lincoln Center, 5400 LBJ Freeway, Suite 500 Dallas, TX 75240

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirement)

at surface

396.6' FWL, 2,008.5' FSL SW/NW**44 21, 93 7 N
64 18, 35 2 E**

At proposed prod. Zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

23.8 miles south of Bonanza Utah

15. DISTANCE FROM PROPOSED LOC. TO NEAREST PROP. OR LEASE

LINE, FT. (Also to nearest drlg. Unit line, if any)

396.6

16. NO. OF ACRES IN LEASE

430

17. NO. OF ACRES ASSIGNED

TO THIS WELL

4018. DISTANCE FROM PROPOSED LOCATION *
TO NEAREST WELL, DRILLING COMPLETED.
OR APPLIED FOR, ON THIS LEASE, FT.**5,300'**

19. PROPOSED DEPTH

7,200

20. ROTARY OR CABLE TOOLS

Rotary

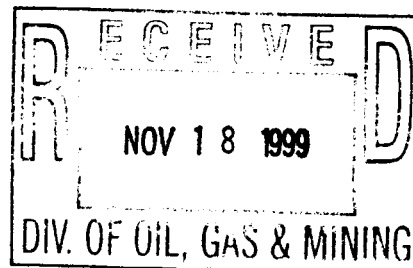
21. ELEVATION (SHOW WHETHER OF RT, GR, etc.)

5,081.40

22. APPROX. DATE WORK WILL START

December 1, 1999**PROPOSED CASING AND CEMENT PROGRAM**

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17	13 3/8	48	500'	To Surface
11	8 5/8	24	2,500'	To Surface
7 7/8	5 1/2	15.5	T.D.	TO 2,500'

Operator requests permission to drill the subject well.**Please see the attached 10 Point and 13 Point Surface Use Plan.****If you require additional information please contact:****William Ryan****350 S., 800E.****Vernal, Utah****435-789-0968**

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposed in to deepen or plug back, give data on proposed productive zone and proposed new productive zone. If proposal is to drill or deepen directional, give pertinent data on subsurface location and measure and true vertical depths. Give blowout preventer program, if any.

24

SIGNATURE

William A Ryan

TITLE

Agent

DATE

Nov. 8, 1999

(This space for Federal or State Office Use)

PERMIT NO.

43-047-33422

APPROVAL DATE

APPROVED BY

CONDITIONS OF APPROVAL IF ANY:

TITLE

BRADLEY G. HILL

DATE

10/6/00**RECLAMATION*****See Instructions on Reverse Side**

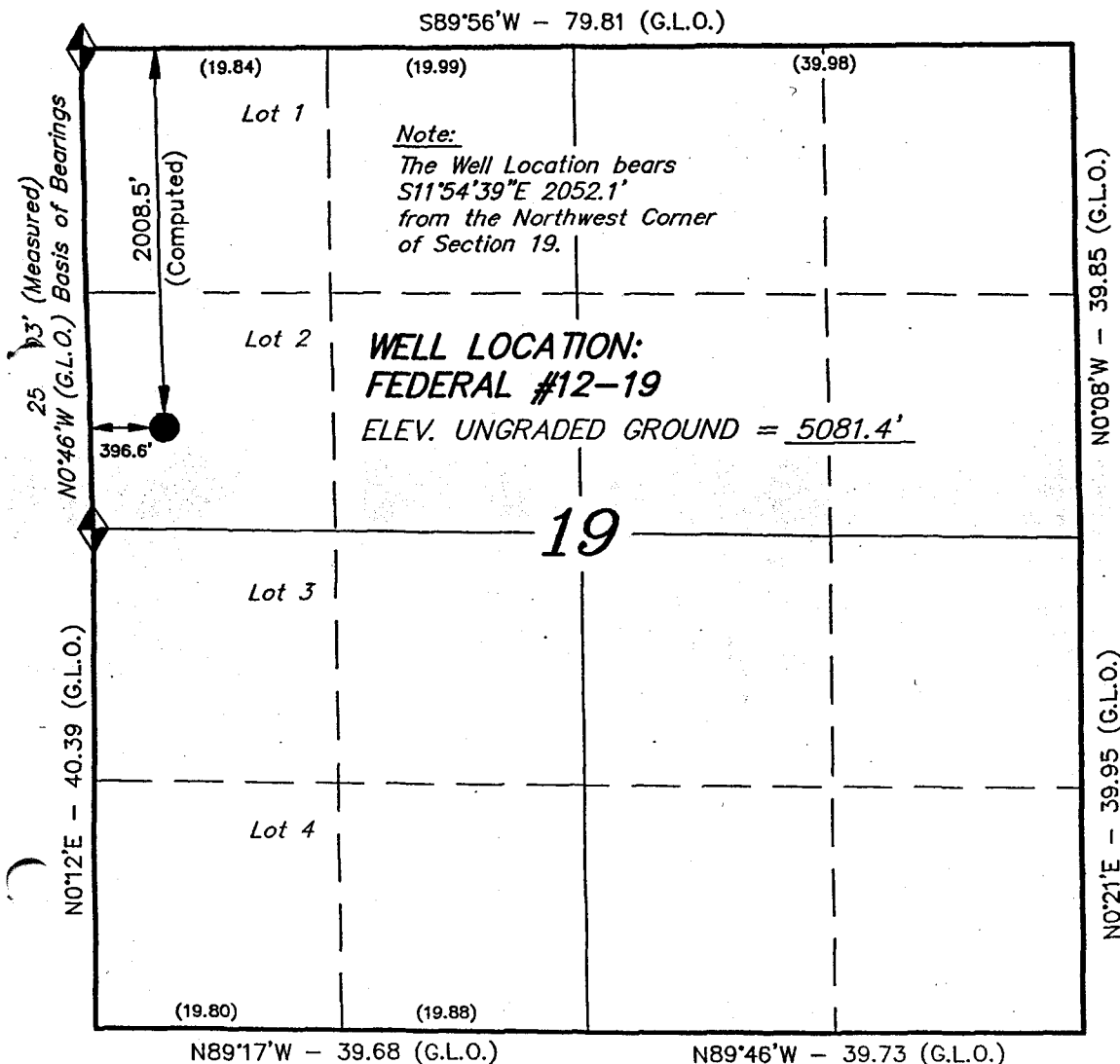
Title 18 U. S. C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**Federal Approval of this
Action is Necessary**

T10S, R24E, S.L.B.&M.

TEXAKOMA OIL & GAS CORP.

WELL LOCATION, FEDERAL #12-19, LOCATED
AS SHOWN IN LOT 2 OF SECTION 19,
T10S, R24E, S.L.B.&M. UINTAH COUNTY,
UTAH.



THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS
PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS
MADE BY ME OR UNDER MY SUPERVISION AND THAT
THE SAME ARE TRUE AND CORRECT TO THE BEST OF
MY KNOWLEDGE AND BELIEF.

Gene Stewart
REGISTERED LAND SURVEYOR
REGISTRATION NO. 144102
STATE OF UTAH

TRI STATE LAND SURVEYING & CONSULTING

38 WEST 100 NORTH - VERNAL, UTAH 84078
(801) 781-2501

SCALE: 1" = 1000'	SURVEYED BY: D.S.
DATE: 10-24-99	WEATHER: FAIR
NOTES:	FILE #

◆ = SECTION CORNERS LOCATED

BASIS OF ELEV; U.S.G.S. 7-1/2 min QUAD (ASPHALT WASH)



Office (435) 789-0968
Cellular (435) 828-0968

350 S. 800 E.
Vernal, UT 84078

November 8, 1999

Re: H 12-19

Utah Division of Oil, Gas and Mining
1594 West North Temple
Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

Dear Sirs:

Texacoma Oil and Gas Corp. respectfully requests a spacing exception for the subject well. The well has been moved from the center of the SW/NE (Lot 2), the move was requested by the BLM. The well is located 2,008.5' FNL and 396.6' FWL.

The location was moved due to restrictions placed on Oil and Gas operations that can be seen from the White River. The legal location would have been seen from the White River. Please see the attached maps.

Yates Petroleum Corp. is the leaseholder in Section 24, T10S, R23E. Leases number 75109. The Operator has contacted Yates to inform them of the proposed location. Please see the attached map.

If you have additional questions please contact me.

Sincerely yours,

A handwritten signature in cursive script that reads "William A. Ryan".

William A Ryan
Agent
Rocky Mountain Consulting



Office (435) 789-0968
Cellular (435) 828-0968

350 S. 800 E.
Vernal, UT 84078

November 12, 1999

Re: Tex Fed. 12-19
Sec. 19, T10S, R24E

Yates Petroleum Corp.
105 S. 4th St.
Artesia, NM 88210

Dear Sirs

Texakoma Oil & Gas Corp. has requested a spacing exception from the State of Utah Division of Oil, Gas and Mining, for the subject well. The location was moved from the center of SW/NW (lot 2) of Section 19, T10S, R24E. The current location is 2,008.5' FNL and 396.6' FWL.

The location was moved at the onsite. The move was requested by the BLM. The legal location would have been seen from the White River. Due to existing restrictions placed on Oil and Gas Operations viewed from the White River the location had to be moved.

State of Utah Division of Oil, Gas and Mining require the Operator to notify you of the proposed location.

If you have questions please feel free to contact myself or the State of Utah Division of Oil, Gas and Mining.

Yours truly,

A handwritten signature in cursive script that reads "William A. Ryan".

William A Ryan
Agent

Ten Point Plan

Texakoma Oil and Gas Corporation

Fed. H 12-19

Surface Location SW ¼, NW ¼, Section 19, T10S, R24E

1. Surface Formation:

Green River

2. Estimated Formation Tops and Datum:

<u>Formation</u>	<u>Depth</u>	<u>Datum</u>
Green River	Surface	5,081'
Oil Shale	500	4,581
Wasatch	2,260	2,821
Mesaverda	5,870	-789
Castlegate	6,640	-1,559
T.D.	7,200'	-2,119

3. Production Formation Depth:

Formation objective includes the Wasatch, Mesaverde and their sub-members

Off set well information:

Well Fed. H 12-30 Section 30, T10S, R24E

4. Proposed Casing:

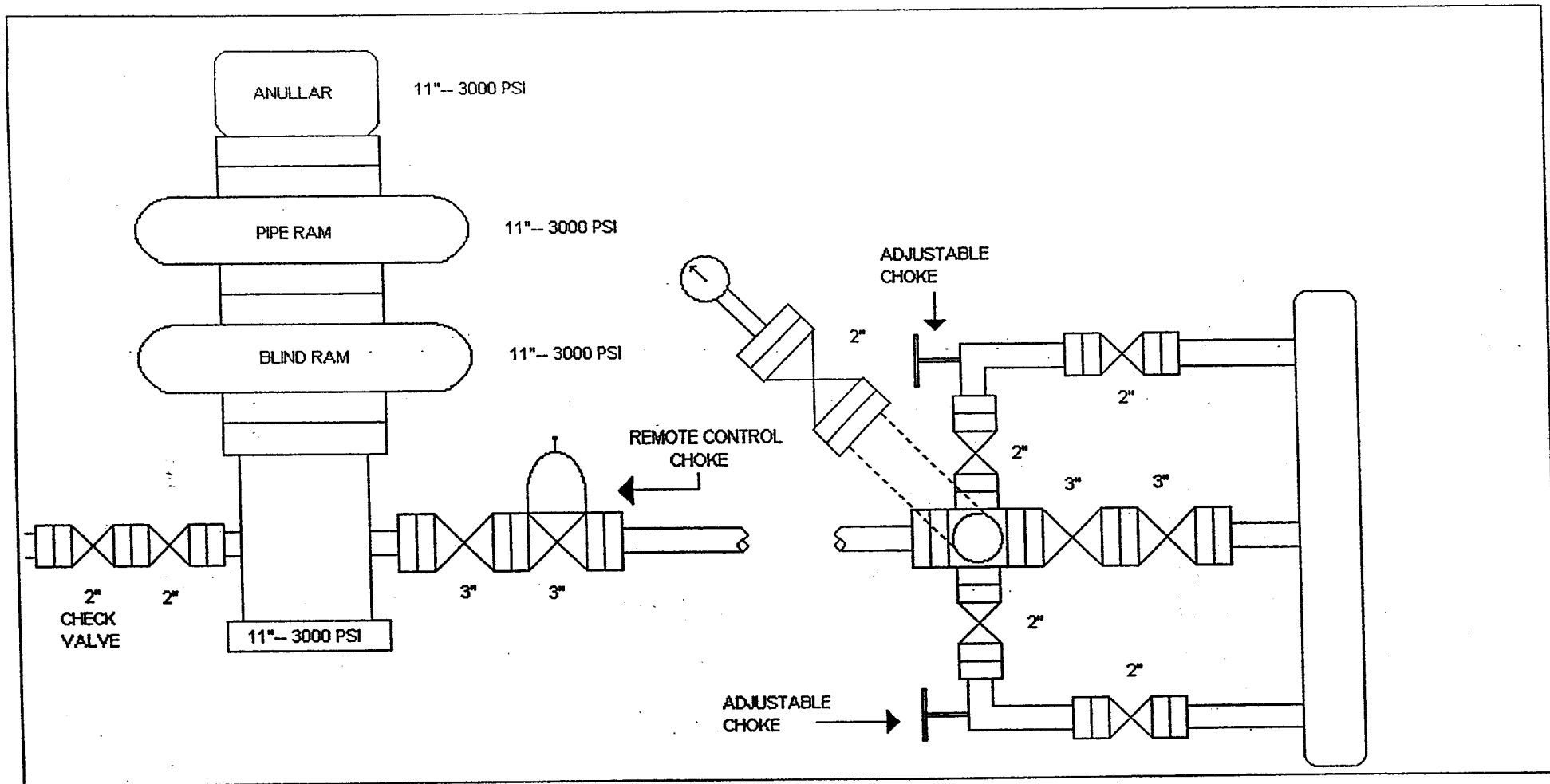
<u>Hole Size</u>	<u>Casing Size</u>	<u>Weight/ft</u>	<u>Grade & Tread</u>	<u>Setting Depth</u>	<u>Casing New/Used</u>
24	20			50	
20	13 3/8	48	H-40/ST&C	500	New
11	8 5/8	24	J-55/ST&C	2500	New
7 7/8	5 1/2	15.5	J-55/LT&C	TD	New

Cement Program;

<u>Casing Size</u>	<u>Cement Type</u>	<u>Cement Amount</u>	<u>Cement Yield</u>	<u>Cement Weight</u>
13 3/8	Halco Lite 2% CaCl ¼# sk Cello Flake	410 sks +/-	1.87 cu.ft./sk	12.8 lbs/gal
	Prem Plus	150 sks +/-	1.16 cu. ft./sk.	15.82 lbs/gal
8 5/8Lead	Halco Lite 2% CaCl ¼# sk Cello Flake	410 sks +/-	1.87 cu.ft./sk	12.8 lbs/gal
8 5/8Tail	Prem Plus	150 sks +/-	1.16 cu. ft./sk.	15.82 lbs/gal

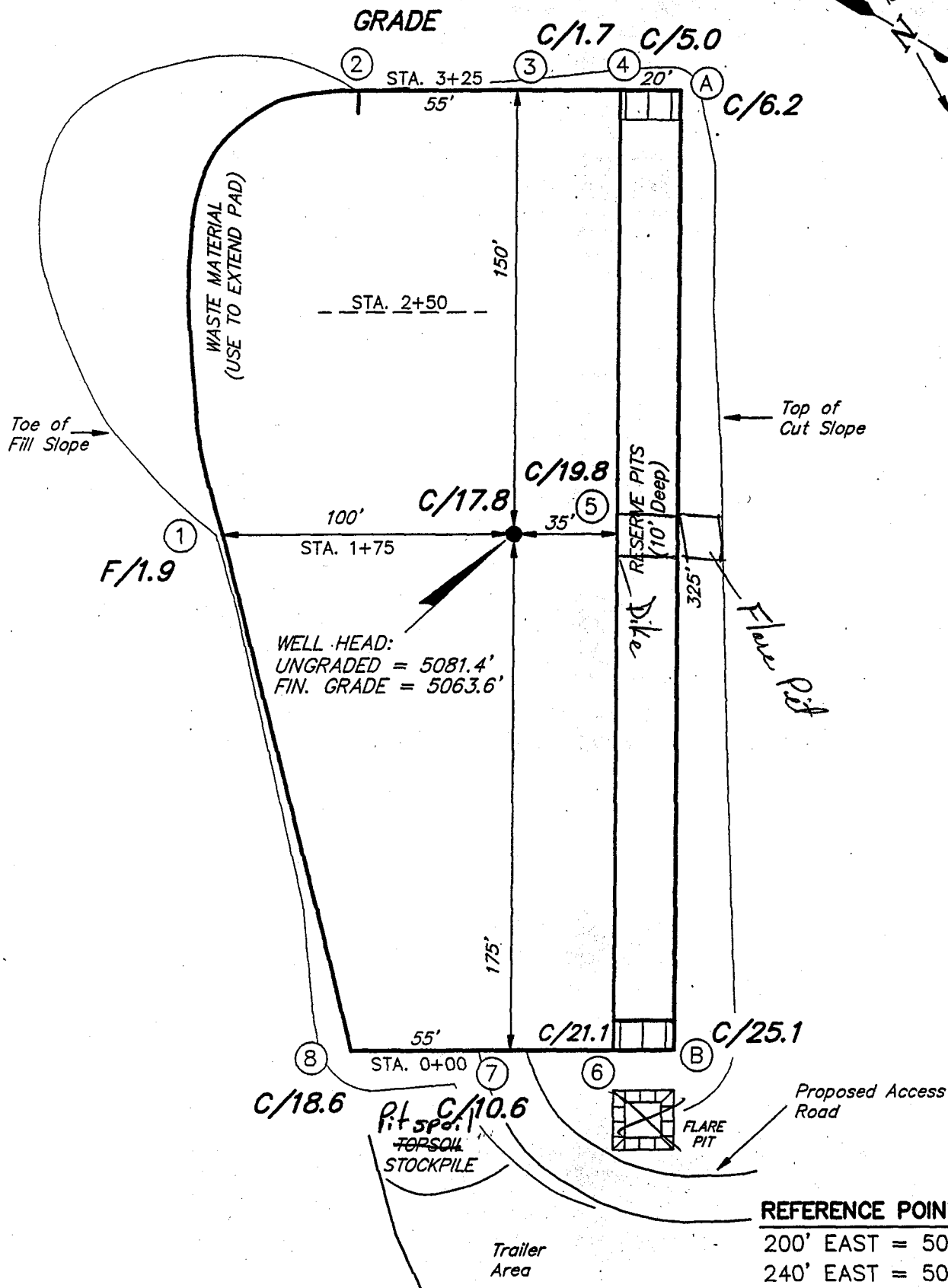
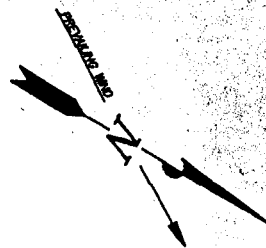
5 1/2 Tail				
Class "G"	540 sks +/-	1.44 cu. ft./sk.	15.23 lbs/gal	
10 % salt				
10 % gel				
.1 % R-3				
.4 FL-25				

The anticipated starting date is December 15, 1999. Duration of operations is expected to be 30 days.



TEXAKOMA OIL & GAS CORP.

FEDERAL #12-19
SEC. 19, T10S, R24E, S.L.B.&M.



REFERENCE POINTS

200' EAST = 5085.1'
240' EAST = 5085.3'

SURVEYED BY: D.S.

SCALE: 1" = 50'

DRAWN BY: J.R.S.

DATE: 10-24-99

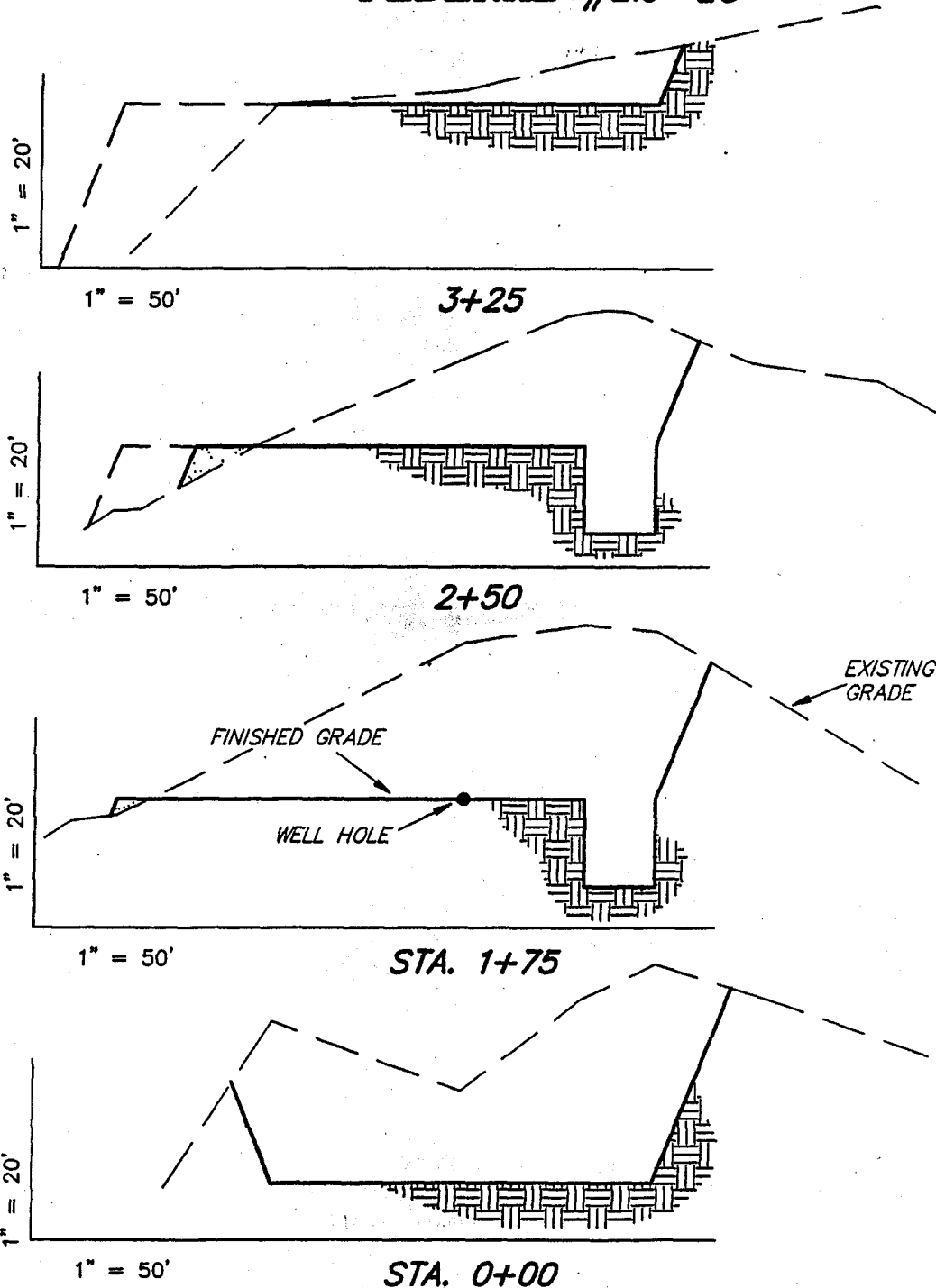
Tri State
Land Surveying, Inc.

(435) 781-2501

38 WEST 100 NORTH VERNAL, UTAH 84078

CROSS SECTIONS

FEDERAL #12-19



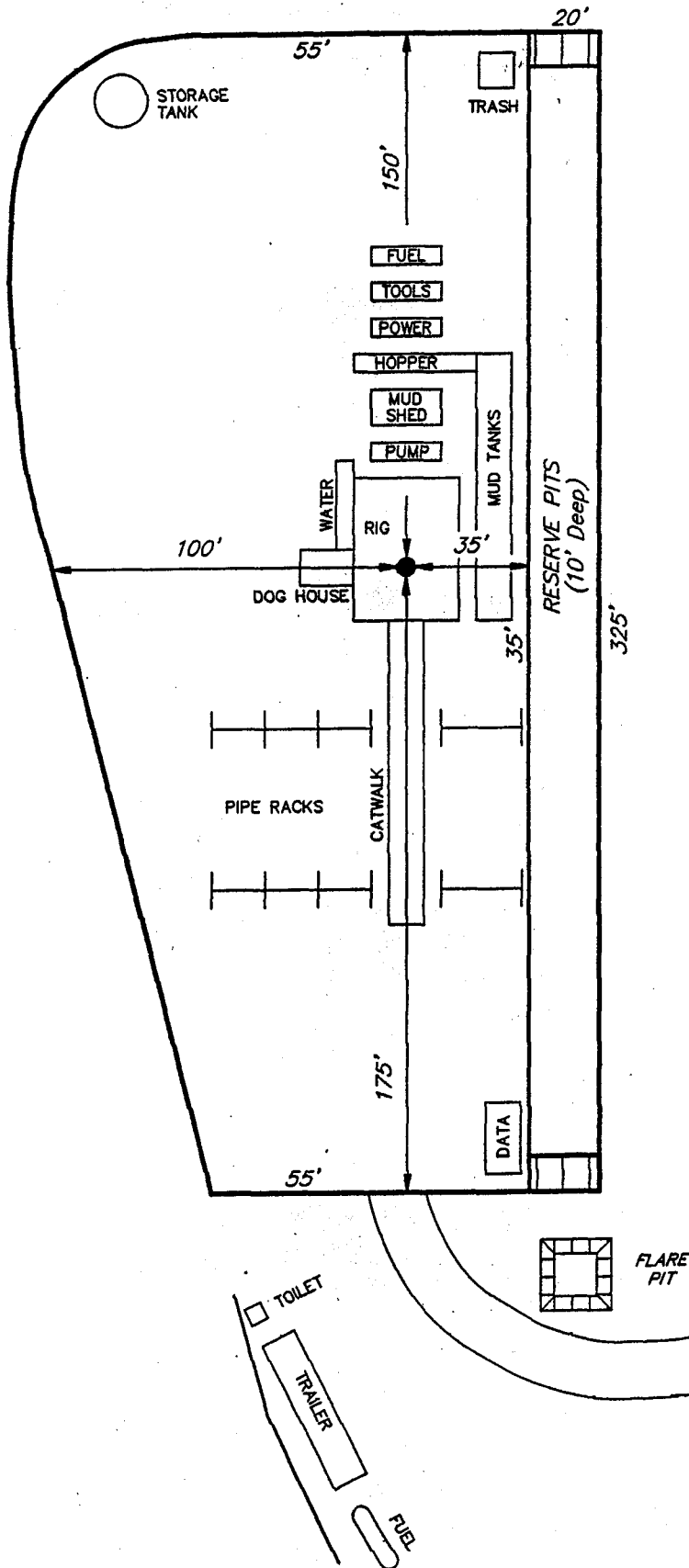
APPROXIMATE YARDAGES

CUT = 19,660 Cu. Yds.
 FILL = 410 Cu. Yds.
 PIT = 2,330 Cu. Yds.
 6" TOPSOIL = 800 Cu. Yds.

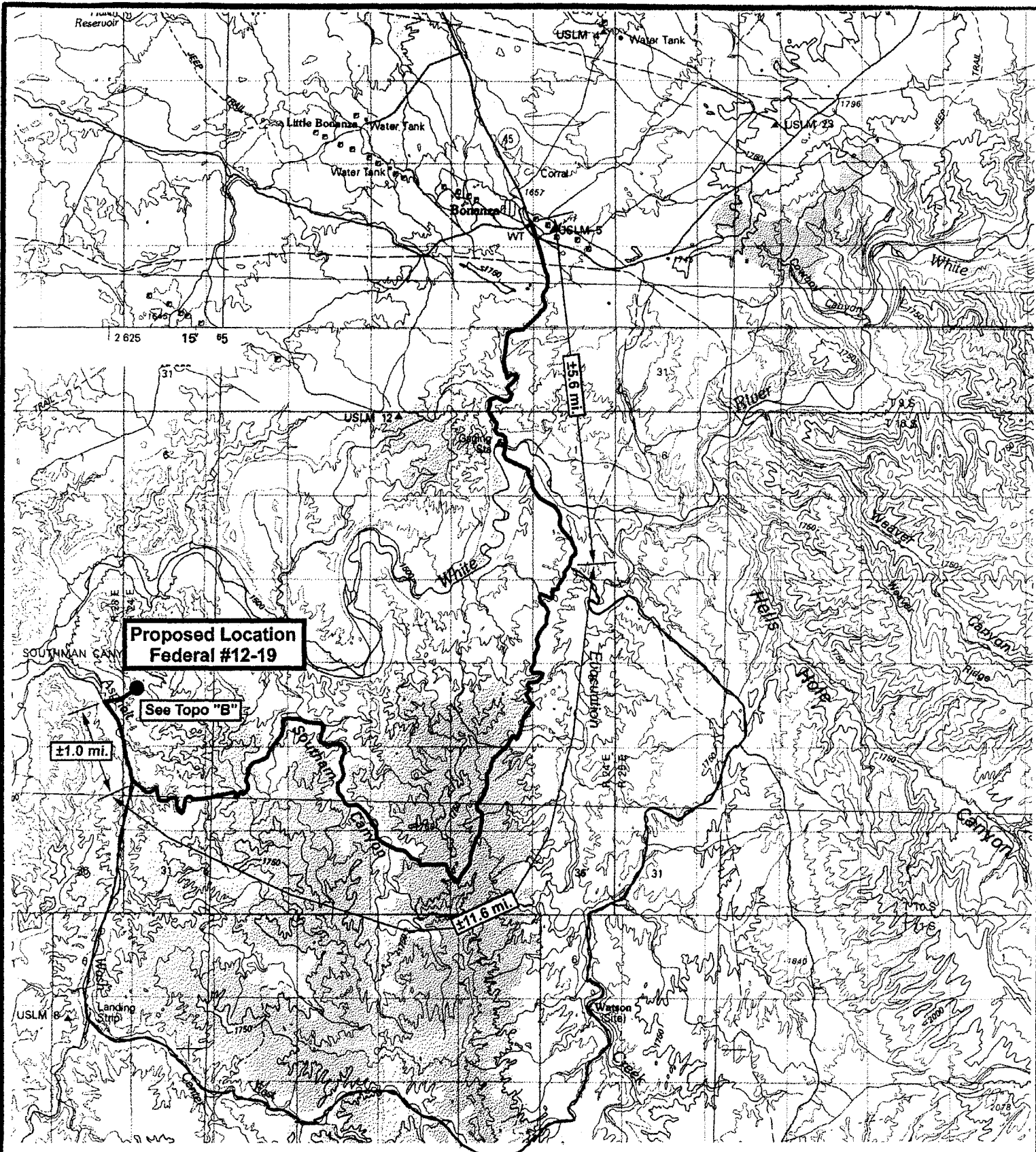
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TYPICAL RIG LAYOUT

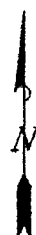
FEDERAL #12-19



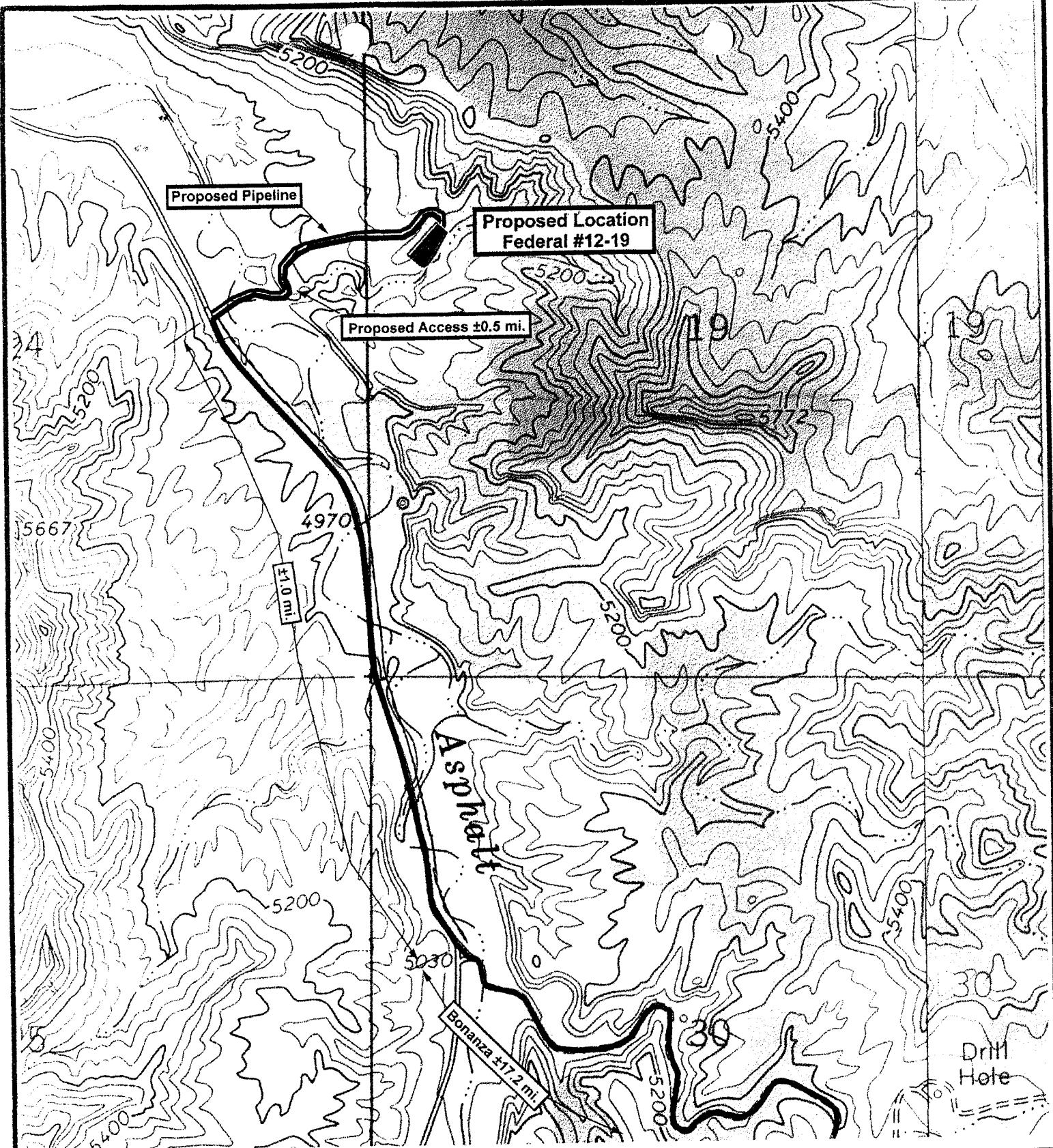
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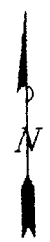
TEXACOMA OIL & GAS CO.
FEDERAL #12-19
SEC. 19, T10S, R24E, S.L.B.&M.
TOPOGRAPHIC MAP "A"



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TEXACOMA OIL & GAS CO.
FEDERAL #12-19
SEC. 19, T10S, R24E, S.L.B.&M.
TOPOGRAPHIC MAP "B"



Scale 1" = 1000'

Tri-State
Land Surveying Inc.
(801) 781-2501
38 WEST 100 NORTH VERNAL, UTAH 84078

TEXAKOMA OIL AND GAS CORPORATION

13 POINT SURFACE USE PLAN

FOR WELL

FED. H 12-19

LOCATED IN

SW $\frac{1}{4}$, NW $\frac{1}{4}$

SECTION 19, T10S, R24E USB&M

UINTAH COUNTY, UTAH

LEASE NUMBER: UTU-65371

SURFACE OWNERSHIP: FEDERAL

1. Existing Roads

To reach the **Texakoma Oil and Gas Corporation well Fed. H 12-19, in Section 19, T10S, R24E, from Bonanza, Utah:**

Starting in Bonanza, Utah: proceed south on the paved road for 4 miles.

Turn south (left) on the Book Cliffs road (dirt road). Proceed south 3.9 miles to the Greeks Corrals.

Turn west (left) at the fork in the road. Proceed 8.3 miles to the Asphalt Wash sign.

Turn north (right) at the sign. Proceed 5.0 miles.

Turn north (right) Asphalt Wash. Proceed 3.7 miles.

The proposed access road will start at this point.

All existing roads to the proposed location are State or County Class D roads.

Please see the attached map for additional details.

2. Planned Access Road

The proposed location will require approximately **2,640 feet of new road construction (625' on lease, 1,375' off lease. Minimal upgrading of the BLM maintained road in the bottom of Asphalt will also be required.**

n) Construction time

Some of the proposed access road will require an off lease right-of-way. The lease line is the west edge of section 19, T10S, R24E. The off lease right-of-way length will be 1,375'.

Please see the attached map for additional details.

The proposed road will be a permanent road and used as long as the well is capable of production.

Anticipated traffic will be typical of a gas well drilling to 7,200'. Heavy trucks will be used to move in the rig and transport supplies and materials during the drilling and completion stage of operations. The time frame for "heavy industrial" use will be completed in the first 6 months after the well has been spudded. After the well has been placed on line for gas sales, traffic will decline to "light industrial" one or two light trucks per day at the location.

The operator has no information as to the Bureau's transportation plan for the existing or proposed roads.

Uintah County has maintained that the existing roads in the area are county "D" roads. This position has been rejected by the BLM.

The proposed road will be used year round.

The proposed new construction will start and end as indicated on the attached map.

Construction will start some time in the 12 months following the signing of the APD.

The new road will be built to the following standards:

a) Approximate length	2,640 ft.
b) Disturbed area width	30 ft.
c) Running surface	18 ft
d) Surface material	Native soil
e) Maximum grade	10%
f) Fence crossing	None
g) Culvert	None
h) Turnouts	None
i) Major cuts and fills	None
j) Road flagged	Yes
k) Access road surface ownership	Federal
l) All new construction on lease	No
m) Pipeline crossing	None
n) Construction time	less than 10 working days
o) Restoration and seeding	At completion of construction

Please see the attached location plat for additional details.

The Operator will not require additional area for equipment storage.

The operator will not be required to obtain additional State or local permits, or dedications at this time. The Operator is not required to obtain local or State maintenance agreements at this time.

Resource values have been reviewed. Archeological survey has been conducted. The soil will support the proposed road. The drainage design will be typical for roads constructed and maintained by Uintah County and the BLM.

The Operator has no plans for major construction projects at this time.

The proposed road will be constructed using native soil from inside the 30' +/- proposed disturbed area. Equipment used will be motor grader and limited use of a D-8 Cat.

There should be no seasonal restrictions for construction of the proposed access road.

All disturbed areas outside the running surface will be seeded as soon as construction has been completed.

The proposed road will be maintained as required but will be graded at a minimum of once per year. The proposed road will be completely obliterated at the time that the subject well is plugged and abandoned unless directed by the AO to do otherwise.

4. Location of tank batteries, production facilities, and production gathering service lines.

A Tanks and Production Facilities

All production facilities are to be contained within the proposed location site. Please see the attached plat plan for a typical gas well separator installation and well site piping.

All permanent (on site for more than six months or longer) structures constructed or installed will be painted a **Juniper Green** color. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is **Juniper Green**.

All tanks will be surrounded by dikes of sufficient capacity to contain the storage capacity of the largest tank in the battery. The integrity of the dike will be maintained.

The operator will adhere to all site security guidelines and regulations identified in 43 cfr 3126.7.

All off lease storage, off lease measurement, commingling on lease or off lease, of production, will have prior written approval from the authorized officer.

B Gathering System

If the well is capable of economic production a permanent **steel, surface** gas gathering pipeline will be required.

The pipeline will transport dry natural gas.

An off lease right-of-way will be required for the pipeline. The lease line in the west section line of Sec. 19, T S, R2 E. The approximate length of off lease right-of-way will be 6,750'.

Approximately **1.5 miles of 4" gathering line** would be constructed on Federal lands. The line would tie into an existing line as indicated on the attached map.

A **temporary** right-of-way width of 30 feet will be required, for the off lease segment of the pipeline, when the line is installed. A **permanent** 15 foot right-of-way width, for the off lease segment of the pipeline, will be required for operations. The line will be welded on the well pad and pulled by a small Cat or backhoe to the tie in. The Operator has no plans for additional facilities at this time. Construction should last less than 10 working days. Operations will be 30 years.

The anticipated operating conditions are:

Pipeline material	Steel
Pipeline color	unpainted & un-coated
Operating pressure	600 psi
Operating temperature	Ambient
Product toxicity	NA

Maintenance requirements are minimal. The pipeline will be walked annually to check for line leaks. All maintenance will be confined to the right-of-way width off lease and within 15' of the pipeline on lease.

The proposed line will be hydro tested. The water from the hydro test will be blown to the pit.

The proposed pipeline will be removed when the proposed well is plugged and abandoned. Unless directed by the AO to do other wise.

Please see the attached location diagram for pipeline location. There will be no additional ancillary facilities or surface disturbance required for the installation of the line.

The right-of-way of lease will not require additional seeding or restoration due to the line being a surface

line and the limited disturbance by the equipment used in installing the line.

The Operator will remove the proposed pipeline at the termination of operations unless directed by the AO to do otherwise.

Construction of the pipeline will follow the completion of the proposed well. The line will most likely be constructed within 6 months of when the well is spudded.

The proposed location will be used for equipment and pipe storage, no additional area will be required for construction of the line.

The gas meter run will be located within 500' of the well head. The gas line will be buried or anchored down from the well head to the meter. Meter runs will be housed and/or fenced.

The gas meter will be calibrated and the tanks strapped in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on a new meter installation and at least quarterly thereafter. The authorized officer will be provided with a date and time for the initial meter calibration and all future meter proving schedule. A copy of the meter calibration report will be submitted to the BLM's Vernal District Office. All measurement facilities will conform to API (American Gas Association) standards for gas and liquid hydrocarbon measurement.

5. Location and type of water supply

Water for drilling and cementing the subject well will be trucked from the flowing water well in Section 6, T11S, R24E. An alternative sources of water may be the Evacuation Creek permit # 49-1595 distribution point in Section 7, T11S, R23E or Bitter Creek permit # T72132 distribution point in Section 28, T12S, R23E.

Water for completion will come from the same supply or Vernal City.

6. Source of Construction Materials

All construction material for this location site and access road shall be borrow material accumulated during construction of the location site and access road. Additional road gravel or pit lining material will be obtained from private sources.

7. Methods for Handling Waste Disposal

A) Pit construction and liners:

The reserve pit will be approximately 10 ft. deep and most of the depth shall be below the surface of the existing ground. Please see the attached plat for details.

The reserve pit **will be lined.**

The reserve pit will be used to store water before the rig is moved on location. A semi-closed system will be used to drill the well. An additional tank will be on location to hold water. The pit will be used to hold non-flammable materials such as cuttings, salt, drilling fluids, chemicals, produced fluids, etc.

B) Produced fluids:

Produced water will be confined to the reserve pit, or if deemed necessary a storage tank for a period not to exceed 90 days after initial production. During the 90 days an application for approval from the authorized officer for a permanent disposal method and location will be submitted.

C) Garbage:

A trash cage fabricated from expanded metal will be used to hold trash on location and will be removed to an authorized land fill location.

A portable chemical toilet will be supplied for human waste.

E) Site clean-up

After the rig is moved off the location the well site area will be cleaned and all refuse removed.

8. Ancillary facilities

There are no ancillary facilities planned at this time and none are foreseen for the future.

9. Well-site layout

Location dimensions are as follow:

A) Pad length	325 ft
B) Pad width	135 ft
C) Pit depth	10 ft
D) Pit length	325 ft
E) Pit width	20 ft

F) Max cut	18.6 ft
G) Max fill.	10 ft
H) Total cut yds	19,660
I) Pit location	north side
J) Top soil location	east side
K) Access road location	east end
L) Flair pit	Center of pit

Please see the attached location diagram for additional details.

The location has been moved to the south side of a ridge. The location was moved to insure that it would not be seen from the White River. The Dirt contractor will insure that no cut material is allowed to fall on the north side of the ridge. All construction work will need to be performed with the White River view considered. If the location requires blasting of rock on the location or in the pit the dirt contractor may have to use time delay detonators to insure fly rock will remain on the south side of the hill.

The dirt contractor will have to contact the BLM (Byron Tolman) 435-789-1362 prior to the start of construction.

The reserve pit will be fenced after the pit has had a pit liner installed or after water has been placed in the pit.

All pits will be fenced according to the following minimum standards:

- A) Thirty nine inch net wire shall be used with at least one strand of wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- B) Corner posts shall be cemented and/or braced. The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C) Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- D) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 ft.

- E) All wire shall be stretched by using a stretching device before it is attached to the corner posts.

A subsoil stockpiled will be placed between stake 7 and stake 8.

10. Plans for restoration of the surface

The location has no topsoil. When all drilling and completion activities have been completed, the pit will be back-filled. The pit area will be seeded with the listed seed mix. The unused portion of the location (the area outside of the dead men) will be re-contoured.

The dirt contractor will be provided with an approved copy of the surface use plan prior to construction activities.

Changes to the drainage during the construction activities shall be returned to its original line of flow or as near as possible when the pit is back-filled.

All disturbed areas will be re-contoured to the approximate natural contours. Prior to back filling the pit the fences around the reserve pit will be removed.

The reserve pit will be reclaimed within 90 days of well completion. If the reserve pit has not dried sufficiently to allow back filling, an extension on the time requirement for back filling the pit will be requested. Once reclamation activities have begun, they shall be completed within 30 days.

After the reserve pit has been reclaimed, no depressions in the soil covering the reserve pit will be allowed. The objective is to keep seasonal rainfall and run off from seeping into the soil used to cover the reserve pit. Diversion ditches and water bars will be used to divert run off as needed.

When restoration activities have been completed, the location site and new access road cuts and shoulders shall seeded. Prior to seeding all disturbed area will be scarified and left with a tough surface.

A) Seeding dates:

Seed will be spread when reclamation work is performed.

The seed mix and quantity list will be used whether the seed is broadcast or drilled.

B) Seed mix

Four Wing Salt Brush
6#/acre

Needle and Thread Grass
6#/acre

At such time as the well is plugged and abandoned the operator will submit a surface reclamation plan to the surface management agency for prescribed seed mixture and seeding requirements.

11. Surface ownership:

Access road	Federal
Location	Federal
Pipeline	Federal

12. Other information

A) Vegetation:

The vegetation coverage is slight. The majority of the existing vegetation consists of sagebrush. Rabbit brush, Bitter Brush and Indian Rice Grass is also found on the location.

B) Dwellings:

There are no dwellings or other facilities within a one mile radius of the location.

C) Archeology:

The location has not been surveyed. A copy of that survey will be forwarded to your office.

If, during operations, any archaeological or historical sites, or any objects of antiquity (subject to the antiquities act of June 8, 1906) are discovered, all operations which would effect such sites will be suspended and the discovery reported promptly to the surface management agency.

D) Water:

The nearest water is the Green River located 4 miles to the north.

E) Chemicals and Hazardous Material:

No chemical (s) from the EPS's Consolidated list of Chemicals subject to Reporting under Title III of the Superfund Amendments and Reauthorization, Act (SARA) of 1986. Will be

used, produced, transported, stored, disposed, or associated with the proposed action. No extremely hazardous substances, as defined in 40 cfr 355, will be used, produced, stored, transported, disposed, or associated with the proposed action.

No pesticides, herbicides or other possible hazardous chemicals will be used without prior application.

F) Notification:

a) Location construction

Contact the authorized officer at least forty eight hours (48) prior to construction of location and access roads.

b) Location completion

Contact the authorized officer prior to moving a drilling rig on location.

c) Spud notice

Contact the authorized office at least twenty-four (24) hours prior to spudding the well.

d) Casing string and cementing

Contact the authorized officer at least twenty-four (24) hours prior to running casing and cementing all casing strings.

e) BOP and related equipment tests

Contact the authorized officer at least twenty four hours (24) prior to initial pressure tests.

f) First production notice

Contact the authorized officer within five (5) business days after the new well begins, or production resumes after the well has been off production for more than ninety (90) days.

G) Flare pit:

The flare pit will be located half way between **corner A and corner B** of the reserve pit out side the pit fence and 100 feet from the bore hole on the east side of the location. All fluids will be removed from the pit within 48 hours of occurrence.

H) Archeological Clearance

An archeological clearance has been requested by the BLM. The operator has contacted an archeological consultant and a survey has been conducted. The report will be forwarded to the Vernal District office

Date 11/8/99

William A. Ryan

William A. Ryan
Rocky Mountain Consulting

13. Lessees or Operator's representative and certification

A) Representative

William A Ryan

Rocky Mountain Consulting
350 South 800 East
Vernal, Utah 84078

Office 435-789-0968
Fax 435-789-0970
Cellular 435-828-0968

Onsite Date: Nov. 2, 1999

Bill Ryan
Byran Tolman
Kim Bartell

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, onshore oil and gas orders, the applicable laws, regulations, and any applicable notices to lessees. The operator is fully responsible for the actions of his subcontractors. Copy of these conditions will be furnished to the field representative to ensure compliance.

This drilling permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

B) Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions which presently exist, that the statements made in this plan are, to the best of my knowledge and belief, true and correct, and that the work associated with the operation proposed herein will be performed by **Texakoma Oil and Gas Corporation.**

SELF-CERTIFICATION STATEMENT

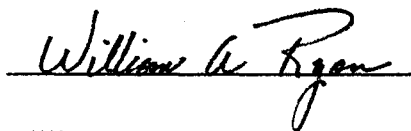
The following self-certification statement is provided per Federal requirements dated June 15, 1988.

Please be advised that Texakoma Oil and Gas Corporation are considered to be operator of the following well.

Fed H 12-19
SW ¼, NW ¼, Section 19, T10S, R24E
Lease UTU-65371
Uintah County, Utah

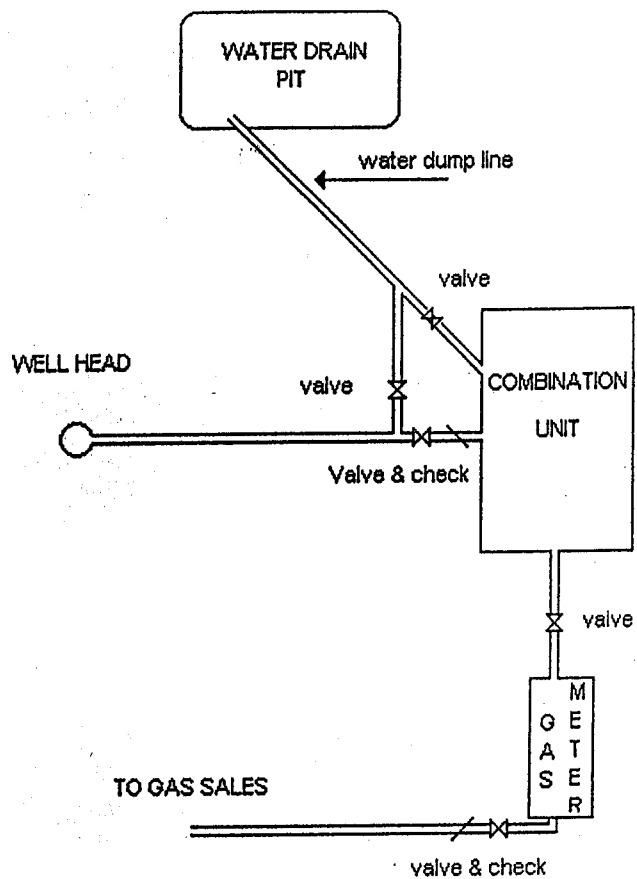
Texacoma Oil and Gas Corporation is responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond UT-0179 provides state wide bond coverage on all Federal lands.

A handwritten signature in cursive script, reading "William A. Ryan", is written over a horizontal line.

William A Ryan
Agent
Rocky Mountain Consulting
350 S. 800E.
Vernal, UT 84078
435-789-0968
435-828-0968
435-789-0968

TYPICAL
GAS WELL



Statement of use of Hazardous Materials

No chemical(s) from the EPA's Consolidated list of Chemicals subject to Reporting under Title III of the Superfund Amendments and Reauthorization, Act (SARA) of 1986. Will be used, produced, transported, stored, disposed, or associated with the proposed action. No extremely hazardous substances, as defined in 40 cfr 355, will be used, produced, stored transported, disposed, or associated with the proposed action.

If you require additional information please contact.

William A Ryan
Agent for Texakoma Oil & Gas Production
Rocky Mountain Consulting
350 S. 800 E.
Vernal UT 84078

435-789-9068 Office
435-828-968 Cell
435-789-0970 Fax

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 11/18/1999

API NO. ASSIGNED: 43-047-33422

WELL NAME: FED H 12-19

OPERATOR: TEXAKOMA OIL AND GAS CORP (N2035)

CONTACT: ~~Bill Ryan (435) 789-0968~~ Tom Sprinkle (972) 701-9106

PROPOSED LOCATION:

SWNW 19 - T10S - R24E
SURFACE: 2009-FNL-0397-FWL
BOTTOM: 2009-FNL-0397-FWL
UINTAH COUNTY
NATURAL BUTTES FIELD (630)

INSPECT LOCATN BY: / /

TECH REVIEW	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: FED

LEASE NUMBER: UTU-65371

SURFACE OWNER: Federal

PROPOSED FORMATION: MVRD

RECEIVED AND/OR REVIEWED:

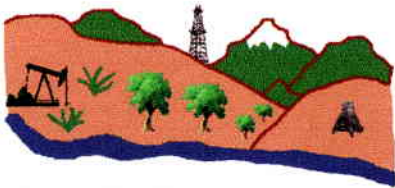
☒ Plat
☒ Bond: Fed ☒ Ind[] Sta[] Fee[]
(No. KT-0179)
☒ Potash (Y/N)
☒ Oil Shale (Y/N) *190-5(B)
☒ Water Permit
(No. 49-1547)
☒ RDCC Review (Y/N)
(Date: _____)
☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

☐ R649-2-3. Unit _____
☐ R649-3-2. General
☒ Siting: R649-3-3. Exception
☐ Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
☐ R649-3-11. Directional Drill

COMMENTS: Need add'l info. "Ex. Loc" (rec'd 10-5-2000)

STIPULATIONS: ① FEDERAL APPROVAL



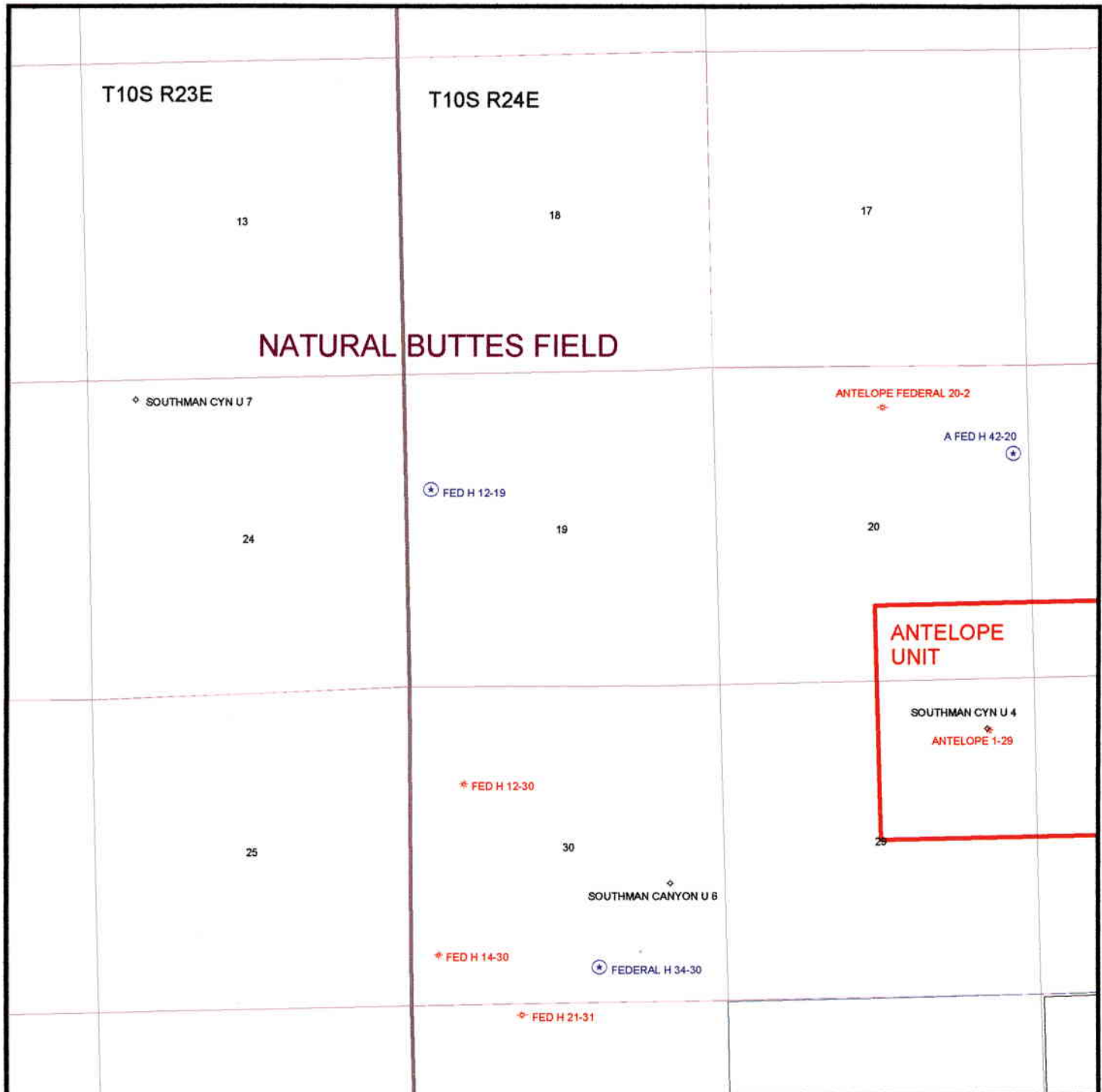
Utah Oil Gas and Mining

OPERATOR: TEXAKOMA OIL & GAS (N2035)

FIELD: NATURAL BUTTES (630)

SEC. 19, T10S, R24E,

COUNTY: UINTAH SPACING: R649-3-3/EX LOC



PREPARED BY: LCORDOVA
DATE: 5-OCTOBER-2000



Office (435) 789-0968
Cellular (435) 828-0968

350 S. 800 E.
Vernal, UT 84078

Lesha

You requested the permit number for the water source used by Texakoma Oil and Gas for drilling the Fed H 12-19 and Fed H 34-31.

The water source will be the flowing water well located 1,700' FNL, 2,500' FWL in Sec. 6, T11S, R24E.

The permit number is 49-1547 and is held by Rose Wood Resources.

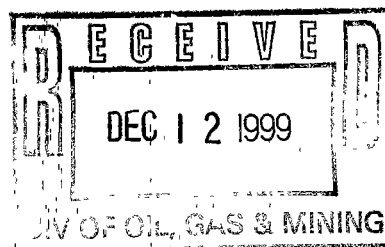
Texakoma Resources land department has been in contact with Yates Petroleum. A letter from Yates should be forth coming.

The BLM is requiring an EA for the Fed H 12-19 well. I do not expect to have an approval from them for more than a year.

I have been in the field every day for the last month and have had a hard time keeping all of the paper work moving. I'm sorry to be such a slow respondent to your requests. Thanks for your patients.

Bill Ryan

Bill Ryan
12/10



DEC-08-99 TUE 10:38 AM DIV OF OIL GAS MINING

FAX NO. 3593940

P. 01/04



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210

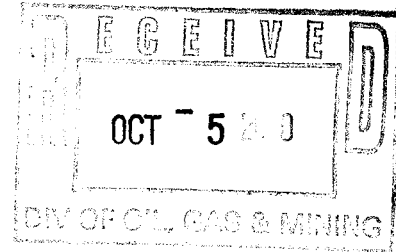
PO Box 148801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

Michael O. Leavitt
GovernorLowell P. Braxton
Division Director

UTAH DIVISION OF OIL, GAS AND MINING FACSIMILE COVER SHEET

DATE: DEC. 8, 1999

FAX#: (972) 701-9056

From APTN: TOM SPRINKLE

COMPANY: TEXAKOMA OIL & GAS Re: "H" #12-19 Location Exception
Waiver letter

DEPARTMENT: _____

NUMBER OF PAGES: (INCLUDING THIS ONE) X 2

To: From: LISHA CORDOVA

If you do not receive all of the pages, or if they are illegible, please call (801) 538-5340. — Direct
We are sending from a sharp facsimile machine. Our telecopier number is (801) 359-3940.

MESSAGES:

Attached is a copy of the "waiver" letter from
Yates Petroleum, the only offset lessee to the
above well lease boundary. Approval from the
State of Utah is still requested at this time, although
an APD has not been approved yet by the BLM.
Call me if we need to discuss further. Thanks Jim

Important: This message is intended for the use of the individual or entity to which it is addressed and may contain information that is privileged, confidential and exempt from disclosure under applicable law. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone and return this original message to us at the above address via regular postal service. Thank you.

MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986



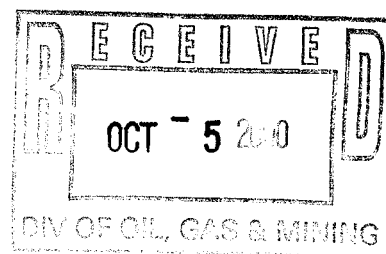
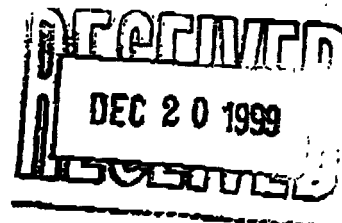
105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (505) 748-1471

S. P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

December 14, 1999

Texakoma Oil & Gas Corporation
Attention: Craig H. Sluetz
One Lincoln Centre
5400 LBJ Freeway, Suite 500
Dallas, Texas 75240

Re: Location Exception Request
Texakoma - Federal "H" 12.19 Well
SW/4NW/4 Section 19, T10S-R24E
Uintah County, Utah



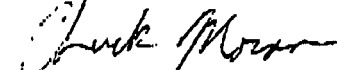
Dear Mr. Sluetz:


Yates Petroleum Corporation, (hereinafter Yates) are in receipt of your request for a Waiver of Objection for the referenced unorthodox well location. Yates agrees to waive such objection subject to Texakoma Oil & Gas Corporation's agreement to grant Yates a like unorthodox location for a well on Yates' leases in NE/4 of Section 24-T10S-R23E, Uintah County, Utah.

Please indicate your agreement by executing and returning one (1) copy of this letter to the undersigned.

Very truly yours,

YATES PETROLEUM CORPORATION


Chuck Moran
Landman

Agreed to and Accepted this 20th December 9 of November, 1999 

TEXAKOMA OIL & GAS CORPORATION

By: 

Title: MANAGER OF TRADES & ACQUISITIONS



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

October 6, 2000

Texakoma Oil and Gas Corporation
One Lincoln Center, Suite 500
5400 LBJ Freeway
Dallas, TX 75240

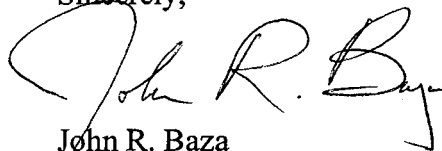
Re: Fed H 12-19 Well, 2009' FNL, 397' FWL, SW NW, Sec. 19, T. 10 South, R. 24 East,
Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-33422.

Sincerely,



John R. Baza
Associate Director

er
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: Texakoma Oil and Gas Corporation
Well Name & Number Fed H 12-19
API Number: 43-047-33422
Lease: UTU-65371

Location: SW NW **Sec.** 19 **T.** 10 South **R.** 24 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338
- Contact Robert Krueger at (801) 538-5274.

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

**EXPLORATION & PRODUCTION**

DATE: February 15, 2001
TO: UTAH DIVISION OF OGM, SALT LAKE CITY, UTAH
ATTN: Ms. Lisha Cordova
FAX NO: 801-359-3940; (T) 801-538-5340

FROM: TEXAKOMA OIL AND GAS CORPORATION
ONE LINCOLN CENTRE
5400 LBJ FREEWAY, SUITE 500
DALLAS, TEXAS 75240
972/701-9106 (OFFICE)
972/701-9056 (FAX#1) or 972-702-8418 (FAX#2)
972/716-9116 (HOME) / Message

TOM SPRINKLE
DRILLING MANAGER

NO. OF PAGES INCLUDING THIS ONE: 1

Re: Uintah County, Utah Drilling Permits Pending

Texakoma requests that the APD's listed below that have been approved by the State of Utah, but still awaiting approval from the Bureau of Land Management, Vernal District Office be granted an extension of at least one year from the pending expiration date, where applicable:

1. API NO. 43-047-33422, Fed H 12-19, 2009' FNL, 397' FWL, SW NW, SEC. 19, T.10 SOUTH, R.24 EAST
2. API NO. 43-047-33359, Fed V 34-21, 991' PSL, 2394' FEL, SW SE, SEC. 21, T.13 SOUTH, R.21 EAST
3. API NO. 43-047-33357, Fed V 21-21, 921' FNL, 2200' FWL, NE NW, SEC. 21, T.13 SOUTH, R.21 EAST

Thanks for your notification. Call me as needed to discuss.

Tom Sprinkle

A handwritten signature of Tom Sprinkle in dark ink.

ONE LINCOLN CENTRE
5400 LBJ FREEWAY • SUITE 500 • DALLAS, TEXAS • 75240
972-701-9106

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 02-15-01
By: A handwritten signature of an official, likely Lisha Cordova, in dark ink.

2-15-01
CHD



State of Utah

DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Robert Morgan
Executive Director
Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

March 4, 2002

Craig Sluetz
Texakoma Oil & Gas Corporation
One Lincoln Centre
5400 LBJ Freeway, Suite 500
Dallas, Texas 75240

Re: APD Rescinded – Fed H 12-19, Sec. 19, T. 10S, R. 24E – Uintah County, Utah,
API No. 43-047-33422

Dear Mr. Sluetz:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on October 6, 2000. On February 15, 2001, the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective February 15, 2002.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

A handwritten signature in cursive script that reads 'Lisha Cordova'.

Lisha Cordova
Reclamation Specialist

cc: Well File
Bureau of Land Management, Vernal